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 CENTRAL INTELLIGENCE AGENCY

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25X1A

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The return of SAG plants, which had been scheduled for 1 May 1953, was postponed by the Soviet Control Commission which, however, waived its claim to extensive reparation deliveries and thus, made available to the Ministry for Metallurgy and Ore Mining 30,000,000 eastmarks for 1953. This money was scheduled to be spent for orders of the 1953 investment program to be placed with SAG plants. Bleichert Transportmaschinen (transportation machines) of SAG Transmasch, Leipzig was to receive an order amounting to 4,200,000 eastmarks, as the USSR has cancelled the order for the delivery of two floating cranes. Other plants to receive orders included Ernst Thaelmann, former Krupp-Gruuson of SAG Amo, Magdeburg-Buckau; Karl Tiebknecht, former Buckau-Wolf, of SAG Amo, Magdeburg-Buckau; and Werk Harry Pels of SAG Transmasch, Erfurt.

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Comment. The fact that the USSR waived part of the reparation deliveries may be of importance for the fulfillment of the Five-Year Plan in East Germany because only with very considerable difficulties could German offices place orders with SAGs; very often, these orders were much delayed or not executed at all. No quick improvement is to be expected, however, as new German orders can hardly be placed with SAG plants which are fully employed in executing reparation orders. It is known, for instance, that the two floating cranes, delivery of which the Soviets are willing to waive, have been completed 50 percent by SAG Bleichert in Leipzig.

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